

Environmental Protection Agency

§ 1033.715

TABLE 1 TO § 1033.705—PRORATION FACTORS
FOR LINE-HAUL LOCOMOTIVES—Continued

Locomotive age (years)	Proration factor (F_p)
13	0.50
14	0.47
15	0.43
16	0.40
17	0.36
18	0.33
19	0.30
20	0.27

TABLE 2 TO § 1033.705—PRORATION FACTORS
FOR SWITCH LOCOMOTIVES

Locomotive age (years)	Proration factor (F_p)
1	0.98
2	0.96
3	0.94
4	0.92
5	0.90
6	0.88
7	0.86
8	0.84
9	0.82
10	0.80
11	0.78
12	0.76
13	0.74
14	0.72
15	0.70
16	0.68
17	0.66
18	0.64
19	0.62
20	0.60
21	0.58
22	0.56
23	0.54
24	0.52
25	0.50
26	0.48
27	0.46
28	0.44
29	0.42
30	0.40
31	0.38
32	0.36
33	0.34
34	0.32
35	0.30
36	0.28
37	0.26
38	0.24
39	0.22
40	0.20

(e) In your application for certification, base your showing of compliance on projected production volumes for locomotives that will be placed into service in the United States. As described in § 1033.730, compliance with the requirements of this subpart is determined at the end of the model year based on actual production volumes for locomotives that will be placed into

service in the United States. Do not include any of the following locomotives to calculate emission credits:

(1) Locomotives permanently exempted under subpart G of this part or under 40 CFR part 1068.

(2) Exported locomotives. You may ask to include locomotives sold to Mexican or Canadian railroads if they will likely operate within the United States and you include all such locomotives (both credit using and credit generating locomotives).

(3) Locomotives not subject to the requirements of this part, such as those excluded under § 1033.5.

(4) Any other locomotives, where we indicate elsewhere in this part 1033 that they are not to be included in the calculations of this subpart.

[73 FR 37197, June 30, 2008, as amended at 75 FR 22987, Apr. 30, 2010]

§ 1033.710 Averaging emission credits.

(a) Averaging is the exchange of emission credits among your engine families. You may average emission credits only as allowed by § 1033.740.

(b) You may certify one or more engine families to an FEL above the applicable emission standard, subject to the FEL caps and other provisions in subpart B of this part, if you show in your application for certification that your projected balance of all emission-credit transactions in that model year is greater than or equal to zero.

(c) If you certify an engine family to an FEL that exceeds the otherwise applicable emission standard, you must obtain enough emission credits to offset the engine family's deficit by the due date for the final report required in § 1033.730. The emission credits used to address the deficit may come from your other engine families that generate emission credits in the same model year, from emission credits you have banked, or from emission credits you obtain through trading or by transfer.

§ 1033.715 Banking emission credits.

(a) Banking is the retention of emission credits by the manufacturer/remanufacturer generating the emission credits (or owner/operator, in the case of transferred credits) for use in future model years for averaging, trading, or

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transferring. You may use banked emission credits only as allowed by § 1033.740.

(b) You may designate any emission credits you plan to bank in the reports you submit under § 1033.730 as reserved credits. During the model year and before the due date for the final report, you may designate your reserved emission credits for averaging, trading, or transferring.

(c) Reserved credits become actual emission credits when you submit your final report. However, we may revoke these emission credits if we are unable to verify them after reviewing your reports or auditing your records.

[75 FR 22987, Apr. 30, 2010]

§ 1033.720 Trading emission credits.

(a) Trading is the exchange of emission credits between certificate holders. You may use traded emission credits for averaging, banking, or further trading transactions. Traded emission credits may be used only as allowed by § 1033.740.

(b) You may trade actual emission credits as described in this subpart. You may also trade reserved emission credits, but we may revoke these emission credits based on our review of your records or reports or those of the company with which you traded emission credits.

(c) If a negative emission credit balance results from a transaction, both the buyer and seller are liable, except in cases we deem to involve fraud. See § 1033.255(e) for cases involving fraud. We may void the certificates of all engine families participating in a trade that results in a manufacturer/remanufacturer having a negative balance of emission credits. See § 1033.745.

§ 1033.722 Transferring emission credits.

(a) Credit transfer is the conveying of control over credits, either:

(1) From a certifying manufacturer/remanufacturer to an owner/operator.

(2) From an owner/operator to a certifying manufacturer/remanufacturer.

(b) Transferred credits can be:

(1) Used by a certifying manufacturer/remanufacturer in averaging.

(2) Transferred again within the model year.

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(3) Reserved for later banking. Transferred credits may not be traded unless they have been previously banked.

(c) Owners/operators participating in credit transfers must submit the reports specified in § 1033.730.

§ 1033.725 Requirements for your application for certification.

(a) You must declare in your application for certification your intent to use the provisions of this subpart for each engine family that will be certified using the ABT program. You must also declare the FELs you select for the engine family for each pollutant for which you are using the ABT program. Your FELs must comply with the specifications of subpart B of this part, including the FEL caps. FELs must be expressed to the same number of decimal places as the applicable emission standards.

(b) Include the following in your application for certification:

(1) A statement that, to the best of your belief, you will not have a negative balance of emission credits for any averaging set when all emission credits are calculated at the end of the year.

(2) Detailed calculations of projected emission credits (positive or negative) based on projected production volumes. We may require you to include similar calculations from your other engine families to demonstrate that you will be able to avoid a negative credit balance for the model year. If you project negative emission credits for a family, state the source of positive emission credits you expect to use to offset the negative emission credits.

[73 FR 37197, June 30, 2008, as amended at 75 FR 22987, Apr. 30, 2010]

§ 1033.730 ABT reports.

(a) If any of your engine families are certified using the ABT provisions of this subpart, you must send an end-of-year report within 90 days after the end of the model year and a final report within 270 days after the end of the model year. We may waive the requirement to send the end-of-year report, as long as you send the final report on time.

(b) Your end-of-year and final reports must include the following information